

el; but that is not a proper test of the value to the State of any public work, because purchasers of stock look exclusively to dividends. If tolls be low, dividends will be low, and stocks will consequently be low in market. But the farmer's interest would be affected in an opposite manner. High tolls would lessen the price of his produce, but increase the profits of the stockholder; while low tolls would enhance the price of his produce, and lessen the stockholder's profits.

The true test of the value to the State of any public work, *is the amount which may be saved* in the expenses of transportation from the place of production to the place of consumption. As, for example, suppose the cost of transporting a barrel of flour to be one dollar, and a company, by improving a river, were to reduce the cost of transportation to forty cents, and exact a toll of ten cents for each barrel—in this case, the farmer would save fifty cents and the company receive ten cents for every barrel. If twenty thousand barrels should be annually transported, then the farmers would save ten thousand dollars, and the company would receive two thousand dollars for tolls. If the work cost fifty thousand dollars, the company would receive only 4 per cent. on their stock, while the community would save twenty per cent. on the amount expended by the company.

(When attention was first called to the improvement of our internal condition, by a distinguished son of North Carolina, the public mind was seized and carried away by an amiable enthusiasm on a subject which promised happy results—our citizens and the Legislature were disposed to contribute freely to accomplish objects important to the prosperity of the State, and beneficial to the individual contributors. But, unfortunately for the success of our attempts, we had no experience to guide our efforts or to limit our expectations within proper bounds. Excited to action by the brilliant success of similar attempts elsewhere, and the splendid results which were anticipated from the accomplishment of the projected improvements, many were undertaken without due examination.) In some instances, a wild spirit of speculation, which was generated by the circumstances of the times, diverted the funds from a proper direction; and the attempt in other instances to gratify local feelings and interests, by commencing operations at many different points, rendered the whole utterly useless, because none could be completed. These and other circumstances contributed to disappoint expectations, perhaps too sanguine, and produced doubts of the success of any attempts at internal improvement in our State. The Legislature, apparently unwilling wholly to give up the long cherished idea of improving the State, and yet fearful to embark in any public work of magnitude, has retained the Board and continued the fund for internal improvement, without providing the means or directing the undertaking of any new work, or the more vigorous prosecution of any which had been already commenced.

### III. Plans and estimated expense of new works recommended by the Board.

The Board are aware of the increased interest the subject of internal improvements has awakened in every section of the State, and of the great responsibility it imposes upon them. The partial failure of the plans hitherto devised, admonishes them of the necessity of giving to every scheme suggested thorough examination, and requiring the clearest evidence of its practicability and usefulness, before it is recommended to public patronage.